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June 1, 2011

Dear Valued Customers,

Primary inputs such as copper, steel, aluminum, petrochemical products such as plastics and freight surcharges continue their upward spiral to apply negative cost pressures on all of our products. The cost of copper alone has continued to increase at an unexpected rate of another 30% since June 2010 and some of the copper suppliers are now releasing limited amounts of copper into the market. In addition, other main material costs are increasing, labor, government taxes and the list goes on!

And, despite our best internal cost containment measures and not raising our prices for over two years, we have seen product costs pushed to historic levels and we are unable to mitigate the current costs any longer.

Thus, it is necessary to announce price increases to all our customers effective with all the orders received and shipments made after July 1, 2011. These cost increases vary by product category and we will have to update your pricing at the time of order until we can update all of your quotations and our price lists.

Category:

Ballast Electronic	5%
Ballast Magnetic	10%
Bulbs and Lamps	5%
Cable and pipe straps	7%
Cable Gripper and Suspension Kits	5%
Copper and Aluminum Lugs	10%
Fans	5%
Fuseholders	5%
Indicator Lights	5%
Lampholders	5%
Lighting Hardware (GLLP)	5%
Lighting Fixtures	7%
Liquid Tight Connectors	5%
Plastic Parts, cable ties and wiring duct.	5%
Power Cords	Call - Min 10%
Strain Relief and Snap Bushings	5%
Solderless Terminals and lugs	7%
Stainless Steel Ties	10%
Switches	8%
Tools	5%
Transformers	5%
Wiring Devices	5%

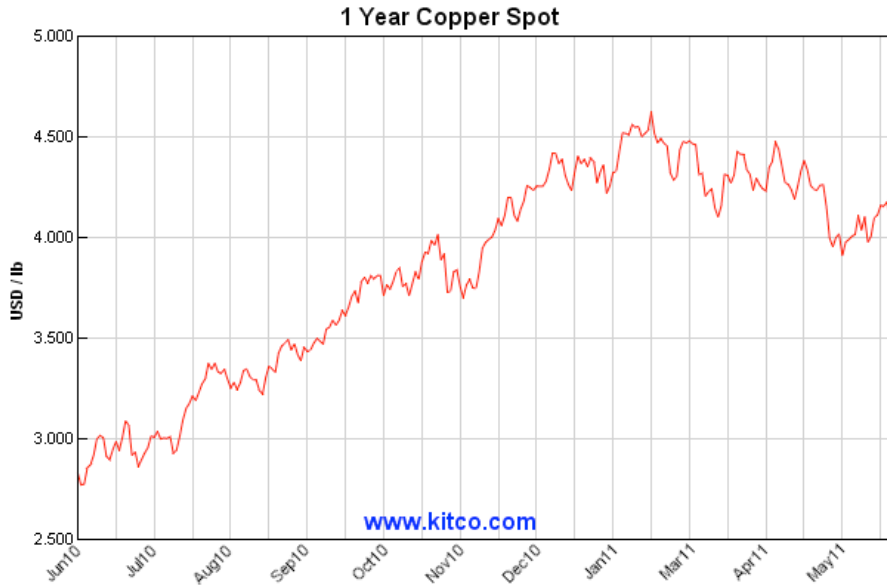
More details on the implementation and new price book updates will follow over the next few weeks. Please follow up with your Sales Rep or Sales Agent who is in charge of your account for updated information. At this point for now we will do the following:

- All previous quotations will be under review and subject to change without notice based on the LME cash price the day of product manufacturing, not the date of Quotation or Purchase Order.
- All future quotations will be subject to change without notice based on the LME cash price the day of product manufacturing, not the date of Quotation or Purchase Order.
- Etlin-Daniels reserves the right to accept your PO until prices are reconfirmed

Thanks for your understanding, your co-operation and your continued support. Etlin remains committed to providing a leadership role in the markets we represent and look forward to supplying the industry with cost effective quality products in the future. We only hope that this cycle comes to an early end soon and we get back to more normal levels.

Regards,
David L Daniels
President

Attached are details/graphs showing these raw material increases.



DOMESTIC PRICES FOR POLYCARBONATE

GP MOLDING – Average 16% increase and still climbing						
			Price Range		One year ago	USD/MT
BULK	USD/LB	+0.10	1.77-2.06	+0.10	1.56-1.85	4099-4528

